

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance\*

Rule No. 482-1-110-.06

Rule Title: Education Provider Requirements.

New  Amend  Repeal  Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? N/A\*

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? N/A\*

Is there another, less restrictive method of regulation available that could adequately protect the public? N/A\*

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? N/A\*

Is the increase in costs, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A\*

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? N/A\*

\*\*\*\*\*

Does the proposed rule have an economic impact? N/A\*

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

\*\*\*\*\*

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Sections 27-2-17 and 27-7-43, Code of Alabama 1975, and that it complies with all applicable filing requirements of the Alabama Insurance Code.\*

Signature of certifying officer Jim L. Ridling  
Jim L. Ridling  
Commissioner of Insurance

Date: April 20, 2017

\*Note: *The Alabama Department of Insurance is exempt from the Alabama Administrative Procedures Act pursuant to Section 41-22-2(e), Code of Alabama 1975.*

Alabama Department of Insurance

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** Alabama Department of Insurance

**RULE NO. & TITLE:** Rule 482-1-110-.06: Education Provider Requirements.

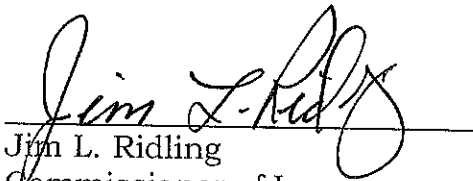
**INTENDED ACTION:** Amend rule.

**SUBSTANCE OF PROPOSED ACTION:** The Commissioner of Insurance is proposing to amend the rule which sets forth the requirements applicable to continuing education providers. The amendments alter the third party proctor requirements for the examination following completion of a correspondence or internet course. The amendments will become effective June 24, 2017.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to June 7, 2017, to the Alabama Department of Insurance, Attention: Legal Division, Post Office Box 303351, Montgomery, Alabama 36130-3351, or orally by appearing at the public hearing, Suite 502, RSA Tower, 201 Monroe Street, Montgomery, Alabama, beginning at 2:00 PM, on June 14, 2017.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**  
June 7, 2017

**CONTACT PERSON AT AGENCY:** Reyn Norman  
General Counsel

  
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Jim L. Ridling  
Commissioner of Insurance

1 **482-1-110-.06 Education Provider Requirements.**

2 (1) The Commissioner shall, with the advice of the  
3 Continuing Education Advisory Committee, approve and authorize  
4 providers of continuing education courses and programs, and  
5 will designate any such course as being acceptable for the  
6 purposes of this chapter. Each such authority holder must  
7 apply annually for the continued authority to offer continuing  
8 education courses in this state.

9 (2) The courses or programs of instruction successfully  
10 completed which shall be deemed to meet the Commissioner's  
11 standards for continuing educational requirements and the  
12 number of classroom hours for which they are equivalent are:

13 (a) Any course or program of instruction or seminar  
14 developed and/or sponsored by any school, college, university,  
15 bona fide educational school, authorized insurer, recognized  
16 state insurance producers association, or insurance trade  
17 association shall, subject to the approval of the  
18 Commissioner, qualify for the equivalency of the number of  
19 classroom hours assigned thereto by the Commissioner.

1           (b) Any correspondence or internet course approved by the  
2 Commissioner shall qualify for the equivalency of the number  
3 of classroom hours assigned thereto by the Commissioner,  
4 provided said course has been authorized, developed, or  
5 sanctioned by a school, college, university, bona fide  
6 educational school, authorized insurer, recognized state  
7 insurance producers association or insurance trade  
8 association. To be approved, a correspondence or internet  
9 course must include an appropriate testing instrument  
10 requiring a grade of 70 percent to successfully complete the  
11 course. The examination must be administered by a ~~third party~~  
12 proctor, who must sign an affidavit attesting to the fact that  
13 the student received no outside assistance in the completion  
14 of the final examination. The proctor ~~cannot be a friend,~~  
15 ~~relative, or co-worker of the licensee, nor anyone with~~ must  
16 be a disinterested third party, with a minimum age of 18  
17 years, who can be any person except for family members or  
18 individuals who have a financial interest in the success of  
19 the licensee student taking the examination. Co-worker  
20 proctors must not be above or below in the student's line of  
21 supervision.

22           (3) The commissioner shall not approve a course under  
23 this chapter:

1           (a) That is designed to prepare an individual to receive  
2 an initial license under Chapter 7 of the Insurance Code.

3           (b) Which deals only with office skills.

4           (c) Which concerns sales promotion and sales techniques.

5           (d) Which deals with motivation, psychology or time  
6 management.

7           (e) Every authorized provider of continuing education  
8 courses in this state shall, in the format approved by the  
9 Commissioner, file a record of all licensees successfully  
10 completing each course or program within ten (10) days of the  
11 date said course or program is completed. In the case of a  
12 correspondence or internet course, this record shall be filed  
13 within ten (10) days of the date the provider assigns a grade  
14 to the final examination required in subparagraph (2)(b).

15           (5) At the time of filing its original application for  
16 authority as a continuing education course provider, each  
17 provider shall pay a filing fee of \$360.00. Each year  
18 thereafter, every provider shall pay a renewal fee for the  
19 continuation of the authority to offer continuing education  
20 courses in this state of \$120.00. This renewal fee shall be  
21 paid each year during the renewal period of October 1 to  
22 December 31. If the renewal application and fee are not

1 received by December 31, the provider approval and all courses  
2 approved for that provider will expire. Any fees paid by a  
3 provider prior to April 23, 1996, the effective date of Act  
4 96-343, for qualification to become a course provider shall be  
5 applied as credits against the provider fees set forth in this  
6 chapter.

7 (6) At the time of filing for course approval, providers  
8 shall pay a course approval filing fee of \$60.00 for each  
9 education course or program to be offered in this state. Once  
10 approved, no additional filing shall be required for a  
11 particular course or program unless the course materially  
12 changes. Please note that should the provider authority expire  
13 as indicated above, all courses approved for that provider will  
14 also expire. Should the provider again become authorized, all  
15 courses must be submitted for approval and the course approval  
16 fee indicated above must be paid for each such course.

17 **Author:** Commissioner of Insurance

18 **Statutory Authority:** Ala. Code §§ 27-2-17, 27-2-17.1, 27-7-43  
19 & 27-8A-1, et seq. (1975), & Ala. Act No. 2015-441

20 **History:** New September 15, 1994, Effective October 1, 1994;  
21 Revised September 23, 1996, Effective October 3, 1996; Revised  
22 August 19, 2002, Effective August 29, 2002; Revised November  
23 29, 2006, Effective December 9, 2006; Revised October 18,  
24 2012, Effective October 28, 2012; Revised December 8, 2015,  
25 Effective January 13, 2016; Revised June 14, 2017, Effective  
26 June 24, 2017